EPB191 No Objection To Declassification in Full 2010/08/30 : LOC-HAK-103-4-25-5

1946 ANGOLA-DIAMONU

BY FRED BRIDGLAND

LUSAKA, DEC 14, REUTER - THE SOVIET BACKED ANGOLAN LIBERATION MOVEMENT MPLA IS DOING BUSINESS WORTH MANY MILLIONS OF DOLLARS WITH A MULTI-NATIONAL DIAMOND FIRM, THE ATVAL UNITA LIBERATION MOVEMENT, SAID HERE TODAY.

IT ALLEGED THE FIRM WAS A CONSORTIUM FORMED BY A SOUTH AFRICAN FIRM WITH BELGIAN, PORTUGUESE, AMERICAN AND RRITISH INTERESTS

A STATEMENT RELEASED BY UNITA (THE NATIONAL UNION FOR THE TOTAL LIBERATION OF ANGOLA) PRESS SERVICES SAID:

"THE NOSCOW-DOMINATED POPULAR MOVEMENT FOR THE LIBERATION OF ANGOLA (MPLA) IS INVOLVED IN MULTI-MILLIAN DOLLAR SECRET BUSINESS DEALS WITH A SOUTH AFRICAN-CONTROLLED DIRNOND EXPLOITING FIRM. IN

THE SOVIET UNION AND MPLA HAVE SPREAD RUNOURS OF SOUTH AFRICAN MILITARY INVOLVEMENT AGAINST MPLA-SOVIET-CUBAN FORCES IN AMBOLATION HASK THEIR SECRET DEALINGS WITH SOUTH AFRICAN FINANCIAL INTERESTS.

THE STATEMENT SAID THE MPLA WAS BEING PAID AT ABOUT THE RATE OF BOUTLION DOLLARS A VEAR BY THE CONSORTIUM FOR ANGOLAN DIAMONDS MINED INTHE EASTERN PROVENCE OF LUNDA

1954 :ANGOLA-DIAMONDS 2 LUSAKA:

*MPLA MANAGES SECRETLY TO DO BUSINESS WITH THESE IMPERIALIST

AND FORMER COLONIAL POWERS WHILE POSING AS THE SOCIALISTIC DEFENDER
OF ANGOLA'S INTEGRITY AGRINST ALLEGED SOUTH AFRICAN INVADERS."

THE STATEMENT ADDED.

IT SAID LUNDA PROVINCE USED TO BE PATROLLED DURING PORTUGUESE COLINIAL RULE BY THE DIAMOND FIRM'S OWN PRIVATE POLICE FORCE.

HELICOPTERS, ARMOURED CARS, BAZOOKAS AND MACHING-GUNS
NOW USED TO PROTECT THE DIAMOND WORKERS AND POLICE THE POPULATION
OF LUNDA WERE ALL OF RUSSIAN MANUFACTURE AND MANNED MOSTLY BY
RUSSIAN TROOPS AND CUBAN MERCENAIRES, THE STATEMENT ADDED.
IT SAID THE MPLA WAS DERIVING MORE THAN ONE QUARTER OF
ITS FOREIGN EXCHANGE FROM THE FIRM'S ROYALITES AND DIVIDENDS.
MORE RR/SCH

1956 :ANGOLA-DIAMONDS 3 LUSAKA:

NOTING THAT MPLA PRESIDENT AGOSTINHO NETO HAD SAID HIS MOVEMENT WELCOMED FOREIGN INVESTMENT FROM ALL COUNTRIES, THE UNITA STATEMENT ADDED:

"ALL COUNTRIES, AND ESPECIALLY SOUTH AFRICA."

UNITA SAID SOME OF THE INFORMATION FOR THE STATEMENT HAD BEEN PROVIDED BY A WESTERN JOURNALIST WHO WAS AN MPLA SUPPORTER AND HAD VISITED THE DIAMOND MINING AREAS IN LUNDA PROVINCE.

THE STATEMENT SAID UNITA WAS PREPARING FURTHER STATEMENTS ON ALLEGED SECRET MPLA DEALINGS WITH OTHER INTERNATIONAL CORPORATIONS.

REUTER RRYSCH

O'NEILL 12-14

WASHINGTON (UPI) -- CONGRESS WILL OPPOSE ANY MOVE TO SEND AMERICAN TROOPS OR ADVISERS TO ANGOLA, HOUSE DEMOCRATIC LEADER THOMAS P. O'NEILL SAID SINDAY.
NO AMERICANS WHATS DEVER, I CAN ASSURE YOU, WILL BE SENT TO O'NEILL SAID SINDAY.

ANGOLA, THE MASSACHUSETTS DEMOCRAT SAID.

"I KNOW THE FEELING OF THE CONGRESS IS NO TROOPS, NO ADVISERS."

O'NEILL, IN A TELEVISION INTERVIEW (NBC: MEET THE PRESS), SAID

REFORTS OF SECRET AMERICAN AID TO TWO GUERRILLA FACTIONS IN ANGOLA REPRESENT "ONE OF THE MOST SERIOUS PROBLEMS" CONGRESS MUST FACE WHEN

IT RECONVENES MONDAY AFTER THE WEEKEND.

MOST CONGRESSIONAL LEADERS WERE NOT BRIEFED ABOUT THE SITUATION,
HE SAID, ALTHOUGH THE HOUSE INTELLIGENCE PANEL CHAIRED BY REP. OTIS HKE, D-N.Y., AND THE INTERNATIONAL RELATIONS COMMITTEE WERE

INFORMED. PIKE IS CALLING FOR A PROMPT REPORT.

ADMINISTRATION OFFICIALS SAY THE CIA HAS PROVIDED \$25 MILLION IN U.S. ARMS, BY WAY OF NEIGHBORING ZAIRE, TO TWO GUERILLA GROUPS IN FFORTS TO STOP THE SOVIETS FROM GAINING A FOOTHOLD IN NEWLY NDEPENDENT ANGOLA. ANOTHER \$25 MILLION SHIPMENT IS ON THE WAY, THEY SAID.

THE SOVIETS HAVE PROVIDED ARMS, AND CUBA HAS PROVIDED TROOPS TO AID THE POPULAR MOVEMENT FOR THE LIBERATION OF ANGOLA, WHICH HAS SET UP A GOVERNMENT IN LUANDA.

O'NEILL SAID ANOTHER VIETNAM "IS NOT THE WILL OF CONGRESS."

CONGRESSMEN WANT TO KNOW WHO SETS U.S. POLICY, HE SAID. "WHO SENT THE CIA IN? WHO DECIDED WHAT GROUP WE SHOULD SUPPORT? THESE ARE THE

THINGS THE CONGRESSMEN DON'T KNOW AND ... THEY'RE GOING TO FIND OUT
ON ANOTHER SUBJECT, O'NEILL SAID THE TAX CUT BILL APPROVED BY
CONGRESS COULD BE VETOED AND BACK IN THE HOUSE BY TUESDAY EVENING. HIT HE HELD OUT THE POSSIBILITY THAT THE PRESIDENT MIGHT STILL CHANGE

A VETO WOULD BE POLITICALLY MOTIVATED, HE SAID, WITH FORD TRYING TO GET TO THE RIGHT OF (REPUBLICAN PRESIDENTIAL CONTENDER ROWALD)

"I BELIEVE WE WILL OVERRIDE HIS VETO, " O'NEILL ADDED, WITH THE ONLY POSSIBILITY OF FAILURE IF FORD DOES SOME "ARM TWISTING IN THE

HE SAID FORD "HAS BEEN A COMPLETE DISASTER" AS PRESIDENT, AND "HAS NO POSITIVE PROGRAMS."

THE DEMOCRATIC LEADER ALSO PREDICTED THE BUSING ISSUE WOULD NOT HIRT HIS OWN RE-ELECTION. MIT'S OBVIOUS YOU'RE NOT GOING TO GET THROUGH A CONSTITUTIONAL AMENDMENT" AGAINST BUSING, HE SAID.

DUPAICATES B-WIRE POINTS

UPI 12-14 03:05 PES

INSERT O'NEILL WASHINGTON A229 AFTER 9TH FGH XXX WEEK." SEN. EDMUND S. MUSKIE, D-MAINE, AGREED THERE SHOULD BE NO TROOP COMMITMENTS MADE BY ANY AMERICAN OFFICIAL, AND THE ADMINISTRATION SHOULD CONSULT CONGRESS BEFORE DECIDING WHETHER TO SUPPLY ANGOLA WITH ARMS AND OTHER AID.

MUSKIE SAID (ON ABC'S "ISSUES AND ANSWERS"), "I AM CONCERNED ABOUT ANGOLA BECAUSE OF WHAT IT TELLS US ABOUT SOVIET INTENTIONS. DETENTE HAS GOT TO WORK BOTH WAYS IF IT'S GOING TO WORK AND THIS KIND OF AGGRESSION AND EXPANSIONISM ON THE PART OF THE SOVIET UNION SUGGESTS TO ME LESS THAN A COMPLETE COMMITMENT ON THE PART OF THE SOVIET UNION TO DETENTE."

PICKUP 1 OTH FGH: O'NEILL UPI 12-14 03:37 FES